

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF VERMONT**

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ALICE H. ALLEN, et al.,

Plaintiffs,

v.

\_\_\_\_\_  
DAIRY FARMERS OF AMERICA, INC.,  
DAIRY MARKETING SERVICES, LLC,  
and DEAN FOODS COMPANY,

Defendants.  
\_\_\_\_\_

Civil Action No. 5:09-CV-00230

**DECLARATION OF BRYAN DAVIS IN SUPPORT OF MOTION TO INTERVENE  
AND OBJECTION TO APPROVAL OF PROPOSED CLASS SETTLEMENT**

I, Bryan Davis, make the following declaration based upon personal knowledge of the matters set forth here.

1. My wife Susan Davis and I own a dairy farm in Derby Line, Vermont. I was born and raised on a farm and have been operating this farm for 32 years. Susan and I have three children, and my oldest son recently moved back home to work with me on the farm.

2. Our farm sits on the border of the United States and Canada, very near to the last exit on Interstate 91. Our farm is average size. We milk 135 cows and have a total of 275 head on 350 acres. We rent an additional 200 acres of land to grow crops. We produce approximately 2,800,000 lbs of milk per year.

3. In addition to our dairy operations we also have a maple sugar operation with approximately 5,000 taps.

4. Our milk is pooled on Federal Order 1. It is picked up daily and combined with milk from other dairy farms in the area. The majority of the milk is all shipped South on

Interstate 91 for Class I fluid sales to Dean Food plants in Massachusetts, and H.P. Hood plants in New Hampshire.

5. We are a member of the St. Albans Cooperative and have been for many years. I am also the Treasurer of the St. Albans Cooperative Board of Directors, and have served on the Board for approximately 15 years. In addition to being Treasurer, I am also currently the Chair of the Quality Committee. In this capacity we work with our member farmers to improve the quality of the milk that is produced. Focusing on the quality of milk protects the interests of all our farmers as the higher the overall quality of our milk in the coop the higher the premiums the coop can negotiate on our behalf.

6. I have also been elected to the board of Yankee Farm Credit.

7. I believe that coops are the best thing that dairy farms have working for them. It is very important that farmers work together and speak with one voice when dealing with large processors.

8. One of the major benefits provided by coops is that they balance the market by providing farmers with a number of outlets for their milk so that it all gets sold. St. Albans accomplishes this in three ways. First, St. Albans has supply contracts with 20-30 different processors, including Ben & Jerry's and others. Second, St. Albans also has a powder plant in which it can turn excess milk into powder. Third, St. Albans works with Dairy Marketing Services, Inc. ("DMS") to further expand its outlets for milk.

9. This balancing service is important because there are times of the year, particularly in the spring, when milk is in over supply and we need to find a home for it.

10. Being a part of DMS has not only expanded our outlets, but has also reduced our costs for hauling because it opens up plants that are closer. Prior to joining with DMS, we

were forced to ship our excess milk great distances in order to find a plant with capacity to take our surplus milk. With our partnership with DMS we are now able to find sufficient outlets closer to our plant thus reducing trucking costs significantly.

11. During other times of the year, some processors buy less milk and we need to make up for that lost volume. For example, Ben & Jerry's shuts down its operations during the Christmas and New Year Holidays. The milk that is used to make the cream that St. Albans ships every week to Ben & Jerry's needs to go elsewhere during that period. DMS helps to provide a cost effective outlet for that milk.

12. Coops are also very important in getting farmers the best possible price for their milk. While the Federal Order system provides a minimum price for milk, coops have been successful in negotiating "over-order premiums" for coop members. The St. Albans coop pays its members volume premiums, rbst (growth hormone) free premiums, and quality premiums.

13. On the cost side, St. Albans provides volume discounts on hauling.

14. In addition to price and cost benefits, coops also provide valuable services to farmers. For example, the St. Albans coop has a fertilizer and grain program whereby the coop will pay vendors up front and then deduct money from farmer's milk checks to help with cash flow.

15. I am very confident that St. Albans and other coops are acting in the best interest of their member farmers and that coops have resulted in better financial results for the farmers. St. Albans coop is very transparent and open with their members about all issues.

16. Other trade organizations prove that farmers do well when they stick together. For example, the Farm Bureau was instrumental in securing the current use program to lower our taxes. Now, our land is taxed given its current use, not development potential.

17. I have read Dean's Proposed Settlement with the Plaintiffs in this lawsuit and I do not believe that this is a good deal for any farmer, and in particular for farmers who market their milk through coops and DMS.

18. I am a big believer in working together and the lawsuit is discouraging.

19. This deal will weaken the coops and lower prices paid to all farmers. To purchase the 60 million pounds of raw milk called for by the agreement, Dean will try to cherry pick those farms which have easy access and are close to its plants. By avoiding handling costs it now pays to coops, Dean will almost certainly pay a lower price for this milk and will then use this to leverage the coops to reduce prices further. In my view this deal will be just another nail in the coffin of the dairy farmers.

20. Although our farm may well be attractive for Dean because it is close to the interstate and easy to get to, I would not consider dealing directly with Dean because of the risk that Dean would stop buying our milk. This is the risk that I avoid by being part of a coop.

21. Coops, like St. Albans guarantee daily pickups, a market and regular pay checks.

22. I do not believe that the money that Dean proposes to pay in the settlement is enough to off-set the damage that this agreement will do to dairy farmers. I'm not sure how plaintiffs figure the "average" farmer will receive \$2500, but If I were to receive the "average" payment that Plaintiffs say will be \$2,500, that money would quickly disappear through lower prices that will result from this settlement.

23. I do not understand how the class representatives and lawyers who negotiated this deal are representing my interests – or the interests of any dairy farmers. This is not a good deal for us and anyone representing me would know this.

I declare under penalty of perjury that the foregoing is true and correct and that this Declaration was executed on January 17, 2011 in Dorset, Vermont

  
Bryan Davis